

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of the Application of)
Missouri Gas Utility, Inc., for a Certificate)
of Convenience and Necessity)
Authorizing It to Construct, Install, Own,)
Operate, Control, Manage and Maintain a)
Natural Gas Distribution System to)
Provide Gas Service in Harrison County,)
Missouri, as a Further Expansion of Its)
Existing Service Area.)

Case No. GA-2008-0078

AMENDED STAFF RECOMMENDATION

COMES NOW the Staff (“Staff”) of the Missouri Public Service Commission (“Commission”) and respectfully states as follows:

1. On September 11, 2007, Missouri Gas Utility, Inc. (“MGU” or “Company”) filed with the Commission, pursuant to Section 393.170 RSMo 2000, 4 CSR 240-2.060 and 4 CSR 240-3.205, an Application for a certificate of convenience and necessity ("CCN") to construct, install, own, operate, control, manage and maintain a natural gas distribution system to provide natural gas service in Harrison County, Missouri, as a further expansion of MGU’s existing service area. The request will enable MGU to provide natural gas service to Maschhoffs, Inc.’s facilities located within Sections 9 and 10, Township 64 North, Range 28 West in Harrison County, and, subject to MGU’s main extension tariff, to potential new customers within said Sections 9 and 10.

2. On October 16, MGU filed a motion requesting permission to substitute Appendix A of its Application in order to update the depiction of its proposed line. The

Commission issued an order on October 18, 2007, directing the Company either to update its appendices or to state that no changes to those appendices are required.

3. On October 23, the Staff filed its Recommendation for Commission approval of MGU's Application.

4. On October 24, MGU filed a Response to the aforementioned October 18, 2007 order. Attached to the Response is an amended version of Appendix B to the Application, which reduces the construction cost estimate from \$126,407 to \$116,051.

5. Because the Staff inadvertently did not address amended Appendix B of the Application in its original Recommendation, the Staff is filing an Amended Recommendation. The bolded additional language in the attached Memorandum (Appendix A) highlights the changes from the Staff's October 23, 2007 Recommendation. The decreased construction cost serves only to increase the economic viability of the proposal. Accordingly, the Staff's recommendation for Commission approval is unchanged.

6. The Staff apologizes for its inadvertence and for any resultant confusion.

WHEREFORE, for the reasons set forth in the attached Memorandum, the Staff respectfully renews its recommendation that the Commission issue an Order granting MGU's request for a certificate of convenience and necessity, and requiring the Company to file within thirty (30) days, the appropriate tariff sheets incorporating the new service territory.

Respectfully submitted,

/s/ **Dennis L. Frey**

Dennis L. Frey
Senior Counsel
Missouri Bar No. 44697

Attorney for the Staff of the
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102
(573) 751-8700 (Telephone)
(573) 751-9285 (Fax)
denny.frey@psc.mo.gov

Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to all counsel of record this 25th day of October 2007.

/s/ **Dennis L. Frey**